

House File 125 - Introduced

HOUSE FILE 125

BY PETTENGILL, HEIN, HESS,
KOESTER, STANERSON, and
ALONS

A BILL FOR

1 An Act providing a sales tax exemption for textbooks used in
2 attending a postsecondary educational institution.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 423.3, Code 2013, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 99. *a.* The sales price of new and
4 used textbooks if the textbooks are for use in attending a
5 postsecondary educational institution.

6 *b.* For purposes of this subsection:

7 (1) "*Textbooks*" means books and other instructional
8 materials and equipment used in attending a postsecondary
9 educational institution in this state, including books and
10 materials for extracurricular activities, which include
11 sporting events, musical or dramatic events, speech activities,
12 or programs of a similar nature. "*Textbooks*" does not include
13 instructional books and materials used in the teaching of
14 religious tenets, doctrines, or worship, the purpose of which
15 is to inculcate those tenets, doctrines, or worship.

16 (2) "*Postsecondary educational institution*" means an
17 accredited private institution, as defined in section 261.9, an
18 Iowa community college, or an institution of higher education
19 governed by the state board of regents.

20 *c.* Postsecondary educational institutions are required to
21 provide a list of required and suggested textbooks for all
22 courses and the corresponding international standard book
23 numbers for such textbooks at least fourteen days, or as soon
24 as practicable, before the start of each semester or term, at
25 the locations where textbooks are sold on campus and on the
26 internet site for the respective postsecondary educational
27 institution.

28 *d.* In order to receive the sales tax exemption, a person
29 is required to show a current official identification card
30 from a postsecondary educational institution and show that the
31 textbooks intended to be purchased are on the list of textbooks
32 provided by the postsecondary educational institution under
33 paragraph "*c*".

34

EXPLANATION

35 This bill provides a sales tax exemption for textbooks used

1 in attending a public or accredited private Iowa postsecondary
2 educational institution. "Textbooks" are defined as books and
3 other instructional materials and equipment, including books
4 and materials for extracurricular activities, but does not
5 include instructional books and materials used for teaching
6 religious tenets, doctrines, or worship if the purpose is to
7 inculcate those tenets, doctrines, or worship.

8 Postsecondary educational institutions are required
9 to provide a list of textbooks for all courses and the
10 corresponding international standard book numbers for the
11 textbooks at least 14 days, or as soon as practicable, before
12 the start of each semester or term, where textbooks are sold on
13 campus and on the institution's internet site.

14 In order to receive the sales tax exemption, a person
15 must show a current official identification card from a
16 postsecondary educational institution and show that the
17 textbooks intended to be purchased are on the institution's
18 textbooks list.

19 By operation of Code section 423.6, an item exempt from the
20 imposition of the sales tax is also exempt from the use tax
21 imposed in Code section 423.5.